

2015 BSEE Domestic and International Standards Workshop

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Freeport-McMoRan perspectives on the development of processes to address lifecycle management ,
equipment reliability and subcontractor management issues



Who is Responsible

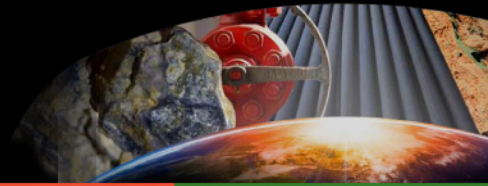


- Who is responsible for Quality and Compliance to Industry Standards.....
 - The Equipment Manufacturer
 - The Supplier of the Product or Service
 - Don't Inspect Quality into the Product or Service
- Ensure understanding of the Difference, objectives, and deliverables for:
 - Quality Control
 - Quality Assurance

Equipment Reliability



- Equipment Reliability
 - Follow §250.1916
 - Understand it is a Program (Systems approach)
 - Define Fit for Service
 - Define “all equipment”
 - Define Critical
 - Develop Minimum Requirements for all aspects of Well Delivery

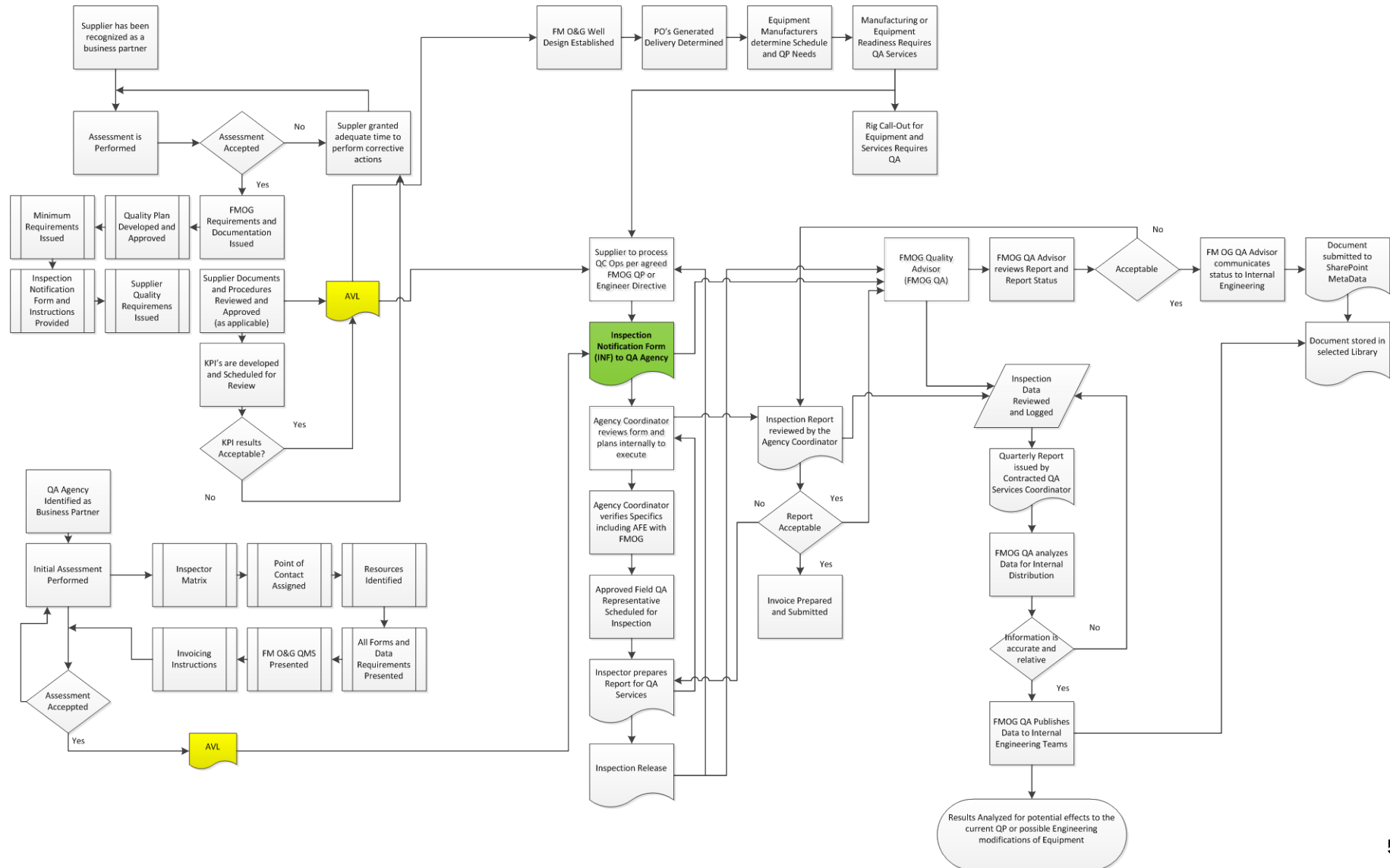


Equipment Reliability

■ Equipment Reliability

- Follow API RP 75
 - Change “should” to “shall”
 - Understand “appropriate service requirements, manufacturers recommendations, and industry standards”
 - Understand it is a “strategy”
 - Alignment with Operations
 - Include Procurement – Start the Strategy
 - Define Critical

Equipment Reliability Responsibility



Subcontractor Management



Subcontractor Management for Equipment Reliability actions:

- Documented (PO and Req) Communication of Minimum Requirements for Equipment and Services
- Assessment of Equipment and Service Providers to Industry Standards
- Clear Expectations for Quality and Reliability
- Scheduled review of Performance
- Develop Minimum Requirements for:
 - Contracted Field Resources
 - Suppliers of Equipment and Services

Lifecycle Management



- API Standard 18 LCM being developed
 - Implement Q2 through the Organization
 - Work with Operations to determine “where” LCM needs to be applied
 - Develop a Service Base that understands LCM
 - Develop Business Partners for continuous improvement

Questions?

